

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES
MEDICAL ASSISTANCE ADMINISTRATION
Olympia, Washington**

To: Resource Based Relative Value
Scale (RBRVS) Users:
Anesthesiologists
Advanced Registered Nurse
Practitioners
Ophthalmologists
Psychiatrists
Emergency Physicians
Nurse Anesthetists
Physicians
Physician Clinics
Registered Nurse First Assistants
Family Planning Clinics
Federally Qualified Health Centers
Health Departments
Laboratories
Managed Care Plans
Podiatrists
Radiologists
Kidney Centers
Blood Banks

Memorandum No: 03-59 MAA
Issued: September 18, 2003

For Information Call:
1-800-562-6188

From: Douglas Porter, Assistant Secretary
Medical Assistance Administration (MAA)

Subject: **Change in Billing Requirements for Drugs Administered in the
Provider's Office**

Effective for dates of service on and after October 16, 2003, the Medical Assistance Administration (MAA) will require all providers to report the 11-digit National Drug Code (NDC) for all drugs administered in the provider's office.

Electronic Billing Requirements

MAA is currently upgrading its claims processing system to accommodate HIPAA-compliant coding and billing changes. The upcoming HIPAA-compliant electronic claim form will have a field for reporting the 11-digit NDC of any drugs (including any contraceptive supplies with an 11-digit NDC such as an IUD) administered in the provider's office. **MAA will require this field to be completed in order to reimburse providers for these drugs.**

National drug code (NDC) – The 11 digit number the manufacturer or labeler assigns to a pharmaceutical product and attaches to the product container at the time of packaging. The 11-DIGIT NDC is composed of digits in 5-4-2 groupings. The first five digits comprise the labeler code assigned to the manufacturer by the FDA. The second grouping of four digits is assigned by the manufacturer to describe the ingredients, dose form, and strength. The last grouping of two digits describes the package size. [WAC 388-530-1050]

Providers must continue to identify the drug given by reporting the drug's CPT or HCPCS code in the **PROFESSIONAL SERVICE Loop 2400, SV101-1 and the corresponding 11-digit NDC in DRUG IDENTIFICATION Loop 2410, LIN02 and LIN03.** In addition, the units reported in the "units" field in PROFESSIONAL SERVICE Loop 2400, SV103 and SV104 must continue to correspond to the description of the CPT or HCPCS code.

For example, if 2.4 mg of NovoSeven® is given, bill as follows (*not all required fields are represented in the example*):

Date of service	Procedure Code	Charges	Units	NDC
10/25/03	Q0187	\$3,034.08	2	00169706101

If the 11-digit NDC is missing, incomplete, or invalid, the claim line for the drug or supply will be denied.

HCFA-1500 Claim Form Billing Requirements

If you are unable to bill MAA using the HIPAA-compliant electronic claim form, and will continue to bill using a HCFA-1500 claim form, **you are still required to list the 11-digit NDC on the claim.**

If you are billing using a **paper HCFA-1500 claim form** for **two or fewer drugs on one claim form**, you must list the 11-digit NDC in **field 19** of the claim form **exactly** as follows (*not all required fields are represented in the example*):

19. 00169706101 Line 2 / 00009737602 Line 3

Line	Date of Service	Procedure Code	Charges	Units
1	10/25/03	90782	10.00	2
2	10/25/03	Q0187	3,034.08	2
3	10/25/03	J1055	60.00	1

If you are billing using an **electronic HCFA-1500 claim form** for **two or fewer drugs and/or supply on one claim form**, you must list the 11-digit NDC **exactly** as shown above in the "Comments" section of the electronic claim form.

If you are billing for **three or more drugs and/or supplies on one claim form** using either a paper or an electronic HCFA-1500 claim form, you must attach back up documentation to the claim that identifies:

- The HCPCS and/or CPT codes of the drugs given;
- The units administered based on the description of the procedure codes; and
- The 11-digit NDC of the drugs given.

DO NOT attempt to list more than two NDCs in box 19 of the paper HCFA-1500 claim form or in the “Comments” section of the electronic HCFA-1500 claim form. **DO NOT** list the 11-digit NDC in any other location on the claim form.

If the 11-digit NDC is missing, incomplete, or invalid, the claim line for the drug or supply will be denied.

UB-92 Claim Form Billing Requirements for Kidney Centers

If you are billing using a paper **UB-92 claim form**, you must list the 11-digit NDC in box 84 (Remarks) on the claim form. For **two or fewer drugs and/or supply on one claim form** or **three or more drugs and/or supplies on one claim form** you must list the 11-digit NDC **exactly** as shown for the HCFA-1500 claim form instructions (see pages 2-3).

Billing Using an Unlisted Drug Code

If a valid CPT or HCPCS code does not exist that describes the drug administered in the provider’s office, you may bill for the drug using J3490 or J9999.

Claims **must** include:

- The name of the drug given;
- The dosage of the drug given;
- The strength of the drug given; and
- The 11-digit NDC of the drug given.

NOTE: A manufacturer’s invoice showing actual acquisition cost must be attached to the claim form when billed charges exceed \$1,100.00 (including bills using J3490 or J9999) per line item.

To obtain DSHS/HRSA provider numbered memoranda and billing instruction, go to the DSHS/HRSA website at <http://hrsa.dshs.wa.gov> (click the Billing Instructions and Numbered Memorandum link). These may be downloaded and printed.

Bill MAA your usual and customary charge.

This is a blank page.